

DISCRETIONARY GRANTS

It shall be the policy of the City Council that the City's budget specifically allow the City Council to, at any time during the year, direct revenue towards worthy projects or programs which the Council deems beneficial to Newport Beach's quality of life. The Council notes that it has at least three tools at its discretion to assist non-profit agencies, community groups, community events, or enhancement projects within the City. These tools are:

- A. Federal Community Development Block Grant (CDBG) Social Service Funds;
- B. Human Services Grants from the General Fund; and
- C. the "District Discretionary Grant Account" from the General Fund.

These funds shall be provided for in the following manner:

Community Development Block Grant Social Services funds shall be allocated according to standards set by the federal government and appropriated at least once each year. The level of funding offered for Social Services in Newport Beach shall be based upon federal formulas and the specific amount of CDBG revenue allocated to the City in any one fiscal year. The Planning Department shall administer these funds after City Council approval of the funds' expenditure.

Human Services Grants shall be expended from the General Fund in the amount of \$25,000 each fiscal year. The City Manager's Office shall review all requests for Human Services Grants and shall forward recommendations for funding to the City Council for final approval. At the time of the City Manager's presentation of any Human Services Grant award proposals to the City Council, the City Manager shall show which entities, if any, have received funds from either the CDBG Social Services Fund or the District Discretionary Grant Account during the same fiscal year.

The City Manager shall follow these priorities when recommending Human Services Grants:

- A. Local groups located within the City and offering programs to City residents;
- B. Regional groups located in Orange County and offering programs to City residents; and
- C. Groups located in California and offering programs to City residents.

Groups not offering programs or services to local residents shall not be eligible for support from the City.

District Discretionary Grant Account. At the start of the fiscal year, the City Manager shall provide for an account within the City Council's Budget division known as the District Discretionary Grant Account. The City Council shall set the level of this Account during the budget process preceding the June adoption of the City's budget. The total amount appropriated to the Account shall be divided by seven and each Council member shall have, at his or her discretion, the ability to allocate up to one-seventh of the Account to a use, project, or community entity that benefits the City as a whole or the Council Member's district specifically. Any expenditure from this Account must have an identifiable public benefit.

Any proposal for an expenditure from this Fund shall be provided to the City Council during regular Council meetings via a verbal report from a Council member or via a brief "receive and file" agenda item. Any verbal or written report shall identify the public benefit associated with the proposed expenditure.

At the conclusion of the fiscal year in which the District Discretionary Grant Account received appropriation, all unencumbered funds in the Account shall be deposited in the City's General Fund Reserve Account.

Adopted - July 8, 1985

Amended - October 28, 1991

Amended - January 24, 1994

Amended - May 22, 2001

Formerly F-22